3510-DS-P



#### DEPARTMENT OF COMMERCE

International Trade Administration

[C-475-837]

Carbon and Alloy Steel Wire Rod from Italy: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

SUMMARY: As a result of this expedited sunset review, the U.S. Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on carbon and alloy steel wire rod (wire rod) from Italy would be likely to lead to continuation or recurrence of countervailable subsidies at the levels as indicated in the "Final Results of Sunset Review" section of this notice.

DATES: Applicable [Insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Scarlet K. Jaldin and James R. Hepburn, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4275 and (202) 482-1882, respectively.

### SUPPLEMENTARY INFORMATION:

### **Background**

On May 21, 2018, Commerce published the CVD order on wire rod from Italy.<sup>1</sup> On December 1, 2022, Commerce published the notice of initiation of the first sunset review of the *Order*, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).<sup>2</sup> Commerce received a notice of intent to participate from Charter Steel, Commercial Metals Company,

<sup>&</sup>lt;sup>1</sup> See Carbon and Alloy Steel Wire Rod from Italy and the Republic of Turkey: Amended Final Affirmative Countervailing Duty Determination for the Republic of Turkey and Countervailing Duty Orders for Italy and the Republic of Turkey, 83 FR 23420 (May 21, 2018) (Order).

<sup>&</sup>lt;sup>2</sup> See Initiation of Five-Year (Sunset) Reviews, 87 FR 73757 (December 1, 2022).

Liberty Steel USA, Nucor Corporation, and Optimus Steel LLC (collectively, domestic interested parties) within the deadline specified in 19 CFR 351.218(d)(1)(i).<sup>3</sup> The domestic interested parties claimed interested party status within the meaning of section 771(9)(C) of the Act and 19 CFR 351.102(b)(29)(v) as domestic producers of wire rod in the United States.

On January 3, 2023, Commerce received an adequate substantive response from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).<sup>4</sup> Commerce did not receive a substantive response from either the Government of Italy or a respondent interested party to this proceeding. On January 25, 2023, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.<sup>5</sup> As a result, Commerce conducted an expedited (120-day) sunset review of the *Order*, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B)(2) and (C)(2).

## Scope of the *Order*

The products covered by the *Order* are carbon and alloy steel wire rod. For a complete description of the scope of the *Order*, *see* the Issues and Decision Memorandum.<sup>6</sup>

#### Analysis of Comments Received

A complete discussion of all issues raised in this sunset review, including the likelihood of continuation or recurrence of subsidization in the event of revocation of the *Order* and the countervailable subsidy rates likely to prevail if the *Order* were to be revoked, is provided in the Issues and Decision Memorandum. A list of the topics discussed in it in the Issues and Decision Memorandum is attached as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's

<sup>&</sup>lt;sup>3</sup> See Domestic Interested Parties' Letter, "Domestic Interested Parties' Notice of Intent to Participate," dated December 15, 2022.

<sup>&</sup>lt;sup>4</sup> See Domestic Interested Parties' Letter, "Domestic Interested Parties' Substantive Response," dated January 3, 2023

<sup>&</sup>lt;sup>5</sup> See Commerce's Letter, "Sunset Reviews Initiated on December 1, 2022," dated January 25, 2023.

<sup>&</sup>lt;sup>6</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Countervailing Duty Order of Carbon and Alloy Steel Wire Rod from Italy," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Antidumping and Countervailing Duty Centralized Electronic Services System (ACCESS). ACCESS is available to registered users at http://access.trade.gov. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at https://access.trade.gov/public/FRNoticesListLayout.aspx.

#### Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the *Order* would likely lead to the continuation or recurrence of countervailable subsidies at the following rates:

| Producer/Exporter                | Subsidy Rate (percent ad valorem) |
|----------------------------------|-----------------------------------|
| Ferriere Nord S.p.A <sup>7</sup> | 4.16                              |
| Ferriera Valsider S.p.A.         | 44.18                             |
| All-Others                       | 4.16                              |

### Administrative Protective Order

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby

Ferriere Nord S.p.A.: Acciaierie di Verona S.p.A., FIN FER S.p.A., and SIAT S.p.A.. See Countervailing Duty Investigation of Carbon and Alloy Steel Wire Rod from Italy: Final Affirmative Determination, 83 FR 13242, 13243 (March 28, 2018).

<sup>&</sup>lt;sup>7</sup> In the investigation, Commerce found the following companies to be cross-owned with the mandatory respondent,

requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanctions.

# Notification to Interested Parties

We are issuing and publishing these final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218.

Dated: March 22, 2023.

Lisa W. Wang, Assistant Secretary for Enforcement and Compliance.

# **Appendix**

# List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. History of the *Order*
- V. Legal Framework
- VI. Discussion of the Issues
  - 1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
  - 2. Net Countervailable Subsidy Rates Likely to Prevail
  - 3. Nature of the Subsidies
- VII. Final Results of Sunset Review
- VIII. Recommendation

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